

So I think it is correct, and I hope most of us agree, that we save Social Security and Medicare, but we also work at paying down the debt and we let the American people keep a few more dollars of what they have earned. They already work 4 months and 11 days during the year for taxes. That is enough.

#### OPPOSITION TO H.R. 2398

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Nevada (Ms. BERKLEY) is recognized for 5 minutes.

Ms. BERKLEY. Mr. Speaker, I rise this evening to voice my strong opposition to H.R. 2398, a bill that would have disastrous consequences for the economy of my district, Las Vegas, Nevada.

H.R. 2398, referred to the Committee on Ways and Means, is an example of the worst type of Federal Government meddling in local matters and senseless overregulation. I believe this is an issue of importance to Members of Congress and local governments across the country.

Here is the situation in a nutshell: the Las Vegas Convention and Visitors' Authority needs to expand its convention center to accommodate the growing needs of major trade shows and conventions. This type of business is the lifeblood of the economy of my district, and hundreds of thousands of jobs depend on it. I know, because I worked in the tourism business for many, many years before coming here, and I served as a business consultant trying to meet the needs of the convention industry in my hometown. I know firsthand how critically important it is for Las Vegas to expand its convention center, and I know how important these facilities are to dozens of other communities around the Nation.

Just 3 weeks ago, the Las Vegas Convention and Visitors' Authority was ready to issue revenue bonds exempt from Federal taxes. As my colleagues know, local government entities routinely issue tax exempt bonds to meet their building needs. The bond measure would allow my hometown convention center to add enough floor space to meet the needs of the convention business and maintain our reputation as one of the finest convention venues in the world into the 21st century.

The bond measure was the result of responsible local government planning for the future, to maintain a strong economy for the benefit of the 1.3 million residents of southern Nevada.

Then something shocking and outrageous happened, and it happened right here in this House. From 2,500 miles away, one of my district's most important economic development projects was torpedoed, but only temporarily, I hope. At the last minute the convention authority was forced to postpone its sale of bonds after H.R. 2398 was introduced by the gentleman from Texas (Mr. DELAY) on June 30.

The remarks of the gentleman from Texas in the CONGRESSIONAL RECORD

indicate Houston, his hometown, cannot compete with Las Vegas as a convention destination. He targeted Las Vegas with legislation designed to stop the expansion of the new convention center.

H.R. 2398 bears the obscure and seemingly harmless title of The Private Activity Bond Clarification Act of 1999. In reality, this measure would drop a bomb on the proposed Las Vegas convention center expansion and on every other public building project in the United States that uses similar tax exempt financing.

The Las Vegas convention center expansion project is a model of prudent use of public monies and sound planning. The bonds were to be repaid through hotel room tax revenues, exactly the revenues that would grow because there would be more convention space, attracting more visitors to southern Nevada.

With a Federal tax exemption, the cost of the convention center bonds would be low and the convention center will be able to accommodate conventions that otherwise would be turned away. The financing through tax exempt bonds meets every State and Federal rule and regulation.

But now, out of the blue, comes H.R. 2398. This bill seeks to kill the Federal tax exemption by changing the IRS codes, even though the current IRS codes set clear qualifications for projects in order to be tax exempt. And I might add that this project in Las Vegas meets all of these current qualifications.

H.R. 2398 is simply a solution in search of a problem. It sets out to fix something that ain't broke, and in the process H.R. 2398 could do a whole lot of damage throughout the United States. H.R. 2398 could drive up the costs of convention centers and arenas around the country by banning tax exempt bonds for those projects. It promotes the absurd concept that the Federal Government should tax local governments.

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For no good reason, H.R. 2398 gobbles up local dollars by forcing local entities such as the Las Vegas Convention and Visitors Authority to borrow money at higher interest rates because they would no longer qualify for Federal tax-exempt status. This amounts to an unfunded mandate and an onerous burden on our cities and our towns. I say we should be encouraging the economic boost that convention centers bring to a community, not discouraging them.

H.R. 2398 is totally out of step with the times. I know the gentleman from Texas (Mr. DELAY) must be aware that we are in an era of streamlining the IRS, not expanding it. We are in an era of reducing government intrusion on State and local matters, not meddling in them. We are in an era that recognizes the value of public-private partnerships to stimulate economic

growth. And we are certainly in an era when we are all trying to lower the tax burdens, not raise them. H.R. 2398 is on the wrong side of all of these issues and we must reject it for the economic health of our local communities. The defeat of H.R. 2398 will also defeat Federal Government meddling in local affairs and defeat overregulation and it will be a victory for common sense.

#### WHITHER THE SURPLUS

The SPEAKER pro tempore (Mr. SHERWOOD). Under a previous order of the House, the gentleman from Georgia (Mr. KINGSTON) is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, we have a surplus now. It is the first time since 1969 that we have had a surplus. We have this for two reasons: Number one, Congress has finally slowed down the rate of growth in government. Very important concept. We are questioning bureaucrats on how they spend our money. But, number two, and most importantly, we have a surplus because the American people have worked their tails off in the last several years and they have put in 50 and 60 hours a week and the revenues to our coffers have increased tremendously.

So now we have a big debate, a good debate going on, what to do with this surplus. I believe that there are three essential things that we should do, and that was what the debate last week was, on tax reduction.

Number one, what we should do with this surplus is pay our Social Security debts. Protect and preserve Social Security and Medicare. The President of the United States in January stood right where you are, Mr. Speaker, and said, "Let's protect 62 percent of the Social Security surplus." But the Republican Party said, "No, Mr. President, we want to protect 100 percent of the Social Security surplus and not just protect it on paper but put it in a lockbox so that it cannot be used for roads and bridges and pay raises and new entitlement programs but that money will be there for your mom and your dad's retirement."

And so, Mr. Speaker, this bill puts aside 100 percent of the Social Security surplus to the tune of \$1.9 trillion, protecting and preserving Social Security and Medicare.

Number two, this bill pays down the debt. For 40 years, because of irresponsible congressional spending, we have accumulated a \$5.4 trillion debt. This bill takes the first serious step of paying down approximately \$2 trillion of that debt by having a trigger device. The trigger device says that if you want to get a tax reduction, you have to pay down the debt. And unless the debt is paid down, then the tax reduction portion is not triggered. It is the first time that has ever been done by the House.

The third thing, of course, that the bill does is it provides the American people with \$792 billion of their money